

Message Text

UNCLASSIFIED

PAGE 01 JAKART 04119 060637 Z

14

ACTION AID-59

INFO OCT-01 EA-11 ADP-00 AGR-20 EB-11 IGA-02 CIAE-00

INR-10 NSAE-00 RSC-01 L-03 SSO-00 COME-00 SS-15

NSCE-00 NSC-10 TRSE-00 RSR-01 /144 W

----- 125476

O 060608 Z APR 73

FM AMEMBASSY JAKARTA

TO SECSTATE WASHDC IMMEDIATE 6366

INFO AMEMBASSY MANILA IMMEDIATE

UNCLAS JAKARTA 4119

E. O. 16652: N/ A

TAGS: EAID, EAGR, ID, RP

SUBJECT: CORN DIVERSION FROM INDONESIA TO PHILIPPINES

REF: A. STATE 063537 B. STATE 062478

1. GOI HAS OPTED FOR PHILIPPINE PROGRAM LOAN FUNDING OF DIVERTED CORN PER PAR 3, REF B.

2. TEXT OF NOTE HYING# PRESENTED TO PHILIPPINE EMBASSY/ JAKARTA TODAY AS FOLLOWS (UNNECESSARY WORDS OMITTED):

" DEPARTMENT FOREIGN AFFAIRS PRESENTS COMPLIMENTS TO EMBASSY OF PHILIPPINES IN JAKARTA AND HAS HONOR TO REFER TO INFORMATION RECEIVED BY DEPARTMENT THROUGH INDONESIAN EMBASSY MANILA REGARDING URGENT REQUIREMENTS OF CORN BY GOVERNMENT OF PHILIPPINES.

" DEPARTMENT ON BEHALF GOI WOULD LIKE TO INFORM EMBASSY THAT INDONESIA BEING CLOSE AND FRIENDLY NEIGHBOR IS DESIROUS ASSIST GOP IN ALLEVIATING FOOD SHORTAGE THAT BESETS PEOPLE OF PHILIPPINES.

" DEPARTMENT FEELS GOI COULD IMMEDIATELY ASSIST GOP SUPPLYING SOME 23,549 MT CORN SUPPLY FROM US BY DIVERTING 2 SHIPS, VIZ OCEAN UNITY WITH 13,435 MT AND COPPER STATE WITH 10,114 UNCLASSIFIED

UNCLASSIFIED

PAGE 02 JAKART 04119 060637 Z

MT, NOW NEARING INDONESIAN TERRITORIAL WATERS, DIRECT TO MANILA.

DEPARTMENT INFORMS EMBASSY THAT IT IS UNDERSTANDING OF GOI THAT 23,549 MT TO BE FINANCED BY US PROGRAM AID LOAN FUNDS OF GOP AGAINST DOCUMENTATION RELATING TO PURCHASE OF CORN IN US BY GOI AND THAT GOI SHOULD BE REIMBURSED ACCORDINGLY BY USG.

" IF THIS PROPOSAL MEETS APPROVAL 133 PCT

4. TABLE III: ANVERAGE PERIOD EXCHANGE RATES

PERIOD	RATE	ANNUAL RATE OF CHANGE
1969	41.87	
1970	55.54	33 PCT
1971	84	51 PCT
1972	159	89 PCT
1973 (JAN.- MAR.)	214	62 PCT

5. TABLE I CALCULATIONS ARE BASED ON THE NUMBER OF DAYS A PARTICULAR RATE WAS IN EFFECT DURING THE MONTH. THE CALCULATIONS IN TABLE II ARE BASED ON THE OFFICIAL RATES OF EXCHANGE AND THE CHANGE FROM THE PREVIOUS DECEMBER. THE RATES IN TABLE III ARE BASICALLY AS IN TABLE II, HOWEVER, DURING THE YEAR 1971 THERE WERE SEVERAL RATES APPLIED TO DIFFERENT IMPORT METHODS. TO HANDLE THIS PROBLEM WE CONSTRUCTED THE AVERAGE IMPORT RATE (EXCLUDING CUSTOM RATES) BASED ON DATA FROM THE MINISTRY OF COMMERCE FOR NON- AID IMPORTS AND MISSION DATA FOR AID ARRIVALS. THE DERIVED RATE WAS 84 RIELS AS COMPARED WITH AN AVERAGE RATE BASED ON THE ACTUAL OFFICIAL RATE OF 69 RIELS. THE 1969 AND 1970 AVERAGE RATES WOULD BE THE SAME UNDER EITHER METHOD OF CALCUALTION. THE 1972 AND 1973 RATES HOWEVER, WOULD BE LOWER THAN THE RATE SHOWN IN TABLE III IF THE SAME METHOD WAS USED AS IN 1971, BECAUSE MOST AID IMPORTS WERE AT A RATE LOWER THAN THE OFFICIAL RATE. IT IS, THEREFORE, NOT ABSOLUTELY CORRECT TO COMPARE THE 1972 AND 1973 RATES WITH THE OTHER RATES TO DERIVE ANNUAL PERCENTAGE CHANGES. HOWEVER, THE ORDER OF MAGNITUDE WOULD BE ABOUT THE SAME AND WILL SUFFICE UNTIL THE CORRECT COMPARABLE DATA IS CONSTRUCTED. IT SHOULD BE NOTED THAT THE ANNUAL RATE OF CHANGE CALCULATED FOR JAN.- MAR. 1973 IS BASED ON COMPARING THE AVERAGE WITH THE AVERAGE OF JAN.- MAR. OF 1972.

SWANK

UNCLASSIFIED

*** Current Handling Restrictions *** n/a

*** Current Classification *** UNCLASSIFIED

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 06 APR 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973JAKART04119
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: n/a
Errors: n/a
Film Number: n/a
From: JAKARTA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730435/aaahtkf.tel
Line Count: 111
Locator: TEXT ON-LINE
Office: ACTION AID
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: A.STATE 063537 B. STATE 062478
Review Action: RELEASED, APPROVED
Review Authority: thigpegh
Review Comment: n/a
Review Content Flags: ANOMALY
Review Date: 18 OCT 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <18-Oct-2001 by averetam>; APPROVED <05-Feb-2002 by thigpegh>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> gwr 971203
Subject: CORN DIVERSION FROM INDONESIA TO PHILIPPINES
TAGS: EAGR, EAID, ID, RP
To: AID
MANILA
SECSTATE WASHDC
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005